

EXHIBIT B

The Hong Kong Trade Development Council

and

Loeffler, Jonas & Tuggey, LLP

Consultancy Agreement

CONSULTANCY AGREEMENT

This Agreement is made on the 31st of May 2001 between Loeffler, Jonas & Tuggey, LLP, a firm having its registered office situated at 1 Riverwalk Place, 700 North St. Mary's Street, Suite 800, San Antonio, TX 78205-3596 (hereinafter referred to as the "Consultant") and the Hong Kong Trade Development Council of 36-39/F, Office Tower, Convention Plaza, 1 Harbour Road, Hong Kong (hereinafter referred to as the "TDC") with respect to the performance of consultancy services on a non exclusive basis in the government relations area to protect, promote, assist and develop Hong Kong's economic and trade interests in the United States, and seek to prevent or minimize any negative impact that action taken by the US including action against Hong Kong's major trading partners may have on the economic well being of Hong Kong. It is hereby agreed as follows :

1. This Agreement shall commence on the 1st of May 2001 and shall continue thereafter until the 31st of March 2002, unless terminated in accordance with paragraph 10 below. Furthermore, in the event of Mr. Tom Loeffler, Mr. Dan Cohen and/or Mr. Jon Plebani ceasing to be actively associated with the Consultant and/or being unable personally to handle the issues contemplated under this Agreement, the Consultant shall immediately inform the TDC and this Agreement will be reviewed and may be terminated immediately by the TDC at its sole discretion.
2. During the currency of this Agreement, the Consultant agrees to, subject to paragraph 4 below :
 - (a) provide full consultancy services (congressional and government relations) to the TDC in relation to the Congress of the United States (Legislative Branch) and the agencies of the Government of the United States (Executive Branch) including the White House with regard to trade issues and other possible actions affecting the trade interests of Hong Kong; and

- (b) research and monitor legislative and administrative activities to determine the potential for positive initiatives as well as threats to the trade interests of the TDC and Hong Kong. The Consultant will develop, in conjunction with the TDC, strategic plans to pursue those trade interests.
3. Subject to paragraph 4 below, the Consultant also agrees but not limited to provide advice, support and assistance in :
- (a) identifying key lobbying targets in the US Congress and Administration who may have a bearing on legislation or policies affecting the trade interests of Hong Kong, e.g. US/Mainland of China trade relations including NTR status renewal; US implementation of the World Trade Organisation Agreements; trade legislation including fast track authority, textiles bill and 301 statutes not relating to intellectual property matters; NAFTA; FTAA; APEC; anti-dumping legislation and actions, environmental protection, labour rights, investment and competition policy issues;
 - (b) establishing access and contacts, and maintaining close working relations with key members of the Congress, US Administration, and other quasi-government and non-government organisations;
 - (c) developing a programme to convey to all levels of contacts concerning Hong Kong's free trade stance and its open market;
 - (d) gathering information which may affect the trade interests of Hong Kong; and
 - (e) arranging for delegations from Hong Kong and Hong Kong officials based in the US to meet targeted politicians, members of the US Administration, and other organisations.
4. The Consultant and the TDC agree that the Consultant will not provide any services to TDC stipulated in paragraphs 2 and 3 above where they relate to intellectual property matters.
5. It is agreed, with respect to the services rendered by the Consultant pursuant to paragraph 3 above, that the Consultant will perform such services as an independent contractor to, and not as agent or

employee of, the TDC. The Consultant shall not assign or otherwise dispose of any interest, right, benefit or obligation under this Agreement. The Consultant warrants that the consultancy services will be performed and completed in a professional manner and that the consulting team shall be as approved by TDC and that the consulting team shall use all proper and professional skill, care and diligence in the performance of the consultancy services and the discharge of all duties and obligations under this Agreement.

6. During the currency of this Agreement the Consultant will not, without prior written consent of the TDC, accept any engagement or otherwise render any services to other individuals, firms, corporations or entities in connection with any public affairs or legislative matter or activities that involve interests or positions in conflict with those of the TDC and Hong Kong of which the Consultant is or ought reasonably to be aware. In cases where the conflict or potential conflict is in doubt, the Consultant will accordingly first seek the TDC's views as to the applicability of this paragraph 6. For its part, the TDC agrees that it will not require the Consultant to decline an engagement unless it is satisfied that any such engagement could have an adverse impact on the effectiveness of the Consultant's services herein.
7. The Consultant shall not without the prior written approval of the TDC at any time either during the course of this Agreement or thereafter divulge to any third person information specified confidential in connection with the consultancy services or otherwise relating to or concerning the TDC. The Consultant shall use its best endeavours to ensure that all members of its staff comply with the requirements of this provision. This obligation shall not apply to information i) previously known to the Consultant as evidenced by its records; ii) subsequently otherwise acquired by the Consultant from a third party having an independent right to disclose the information; iii) which is now or later becomes publicly known through no fault of the Consultant.
8. (a) In consideration of the performance of the consultancy services and undertakings of the Consultant herein during the currency of this Agreement, the TDC will pay the Consultant a sum of US\$382,019 as consultancy fee. The payment shall be paid in eleven (11) instalments of US\$34,729 each upon satisfactory performance of the consultancy services. The

payment will be effected in arrears on the last day of the month. If this Agreement is terminated at any time before the 31st of March 2002, the fees shall be prorated to cover the period prior to termination.

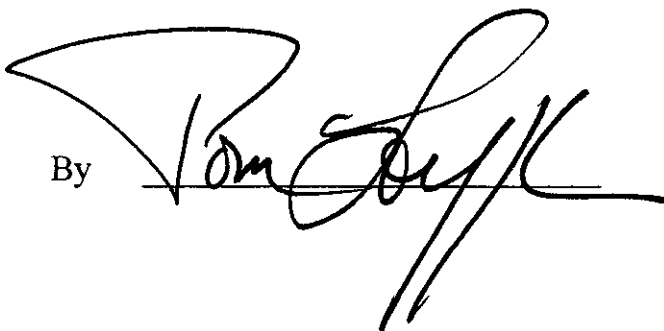
- (b) The TDC shall reimburse the Consultant for all reasonable out-of-pocket expenses (principally for travel, business entertainment, long-distance telephone and other communications, postage, document reproduction incurred on behalf of TDC, and other relevant expenses) in connection with the performance of services herein not to exceed US\$19,702 during the currency of this Agreement without prior written approval of the TDC. Such expenses shall be reimbursed upon submission of monthly statements together with relevant vouchers, invoices, receipts and other evidence to the TDC.
- 9.
 - (a) The Consultant shall not infringe the copyright or other intellectual property of any publications matters or things in the course of the performance of the consultancy services and shall in any event indemnify and keep the TDC fully and effectively indemnified against all actions, claims, damages and costs which may be sustained by TDC resulting from any such infringement.
 - (b) The ownership, copyright and all other intellectual property in all reports, documents, matters, particulars or things prepared by the Consultant or received by the Consultant from TDC or its representatives in the course of the consultancy services shall be vested in and belong to TDC and the Consultant shall not use any such reports, documents, matters, particulars or things or disclose the contents thereof to any person other than a person employed by the Consultant in carrying out this Agreement in any manner outside the course of the consultancy services, without the prior written approval of TDC.
- 10.
 - (a) Either party may terminate this Agreement by written notice to the other party hereto, not less than thirty (30) days prior to the date upon which such termination becomes effective. Breach of any conditions contained in this Agreement by either party

shall entitle the other party to terminate this Agreement forthwith.

- (b) The TDC will be entitled to terminate this Agreement forthwith if the Consultant shall go into liquidation or if a receiver has been appointed over any of its assets or if the Consultant enters into a chapter 11 bankruptcy situation. For the avoidance of doubt, the Consultant shall refund to the TDC any amounts paid in respect of consultancy services which have not been performed at the date of termination.
- 11.
 - (a) If any dispute or difference shall arise between the parties hereto touching any matter or thing connected with this Agreement the same shall be referred, following written notice of the existence of the dispute or difference given by one party to the other, to a mutually agreed single arbitrator, sitting in Hong Kong, who shall arbitrate the dispute or differences in accordance with the provisions of the Arbitration Ordinance of Hong Kong or any statutory modification or re-enactment thereof for the time being in force.
 - (b) The award of the arbitrator shall be final and binding on both parties.
- 12. This Agreement shall be subject to and construed in accordance with the laws of the Hong Kong Special Administrative Region.

Signed for and on behalf of
Loeffler, Jonas & Tuggey, LLP

By



In the presence of:

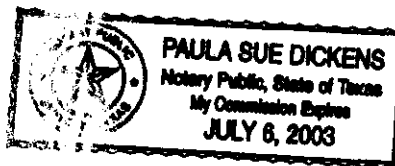
Witness : Signature



Name

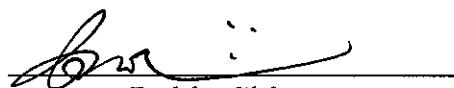
Address

Occupation



Signed for and on behalf of
the Hong Kong Trade Development
Council

By



Robin Chiu
Director, Americas

In the presence of:

Witness : Signature



Name

MICHELE D'EMO

Address

219 E. 46th St., NYC 10017

Occupation

Exec. Secy.